



FOR CLERK USE ONLY

City Council
Item No. 22

CITY COUNCIL AGENDA FACT SHEET

Utility Services
Department

September 7, 2010
Requested Date

1. **Request:**

City Council Approval ☒

Other (specify) ☐

Information Only/
Presentation ☐

Hearing ☐

2. **Requested Action:**

Ratification of Agreement Signed by City Manager with Mingus Constructors, Inc.
for Construction Services to Repair the Embankment at the Calexico International
Airport - Damage Caused by April 4, 2010 Earthquake

3. **Fiscal Impact:**

Revenue: Increase ☐

Decrease ☐

Cost: Increase ☒

Decrease ☐

Does Not Apply ☐

Source: _____

Amount: _____

Source: FAA Grant

Amount: \$28,000

4. **Reviewed By:**

Finance Dept. on _____ By: _____
Comments: _____

City Attorney on _____ By: _____
Comments: _____

Note: Back up must be submitted along with this form. Deadline is 5:00 p.m., 2 Fridays before the scheduled meeting date.

CLERK USE ONLY:

CITY COUNCIL DATE: _____

Action ☐

Consent ☐

Hearing ☐

Filing ☐

Presentation ☐

Other(specify) ☐

Reviewed by: City Clerk _____
Date _____

City Manager _____
Date _____

CITY COUNCIL AGENDA REPORT

SUBJECT: Ratification of Agreement Signed by City Manager with Mingus Constructors, Inc. for Construction Services to Repair the Embankment at the Calexico International Airport – Damage Caused by April 4, 2010 Earthquake

AGENDA DATE: September 7, 2010

PREPARED BY: Luis Estrada, Director of Utility Services



APPROVED FOR AGENDA BY: Victor Carrillo, City Manager

REVIEWED BY: Armando Villa, Assistant City Manager

RECOMMENDATION: It is recommended the City Council approve the following:

1. Ratification of Agreement Signed by City Manager with Mingus Constructors, Inc. for Construction Services to Repair the Embankment at the Calexico International Airport – Damage Caused by April 4, 2010 Earthquake

FISCAL IMPACT: \$28,000 (Federal Aviation Administration Grant)

BACKGROUND INFORMATION: (Prior action/information)

On April 4, 2010, a magnitude 7.2 earthquake caused damages to the Calexico International Airport. The soil embankment that supports the runway at the Calexico International Airport developed a large crack.

DISCUSSION (Current consideration):

According to the City of Calexico Purchasing Policy and Procedures dated February 1, 2007, urgency purchases may be made without competitive bidding when time is of the essence, and shall be made only for the following reasons: to preserve or protect life, health or property; or upon natural disaster; or to forestall a shutdown of essential public services. Due to the emergency nature of the earthquake, the Utility Services Department requested three (3) proposals from construction companies to repair the embankment.

- | | |
|------------------------------|----------|
| 1. Mingus Constructors, Inc. | \$28,000 |
| 2. Hazard Construction | \$40,000 |
| 3. Pyramid Construction | \$59,000 |

After carefully reviewing all proposals, the Utility Services department staff recommends City Council authorization for the City Manager to sign an agreement with Mingus Constructors, Inc. because they submitted the lowest proposal. Do note that the reconstruction of the Paved Access Road to the Hangars and Wastewater Treatment Plant will begin construction in two (2) weeks and the embankment needs to be repaired before then. In addition, Mingus Constructors, Inc. assisted the City in reparation of damages

that were caused by the earthquake at the Water Treatment Plant and Wastewater Treatment Plant

DOCUMENT(S) ATTACHED:

1. Construction Contract
2. Proposals
3. FAA email regarding lowest bidder

Agenda Item No. _____

Page _____ Of _____

**PUBLIC WORKS CONTRACT BETWEEN THE CITY
OF CALEXICO AND MINGUS CONSTRUCTORS, INC.**

This CONTRACT is entered into this 25th of August, 2010, by and between the CITY OF CALEXICO, a municipal corporation ("CITY"), and Mingus Construction Inc., a Arizona corporation ("CONTRACTOR").

1. CONSIDERATION.

- a. As partial consideration, CONTRACTOR agrees to perform the work listed in the SCOPE OF SERVICES, below;
- b. As additional consideration, CONTRACTOR and CITY agree to abide by the terms and conditions contained in this Contract;
- c. As additional consideration, CITY agrees to pay CONTRACTOR not to exceed the sum of \$ 28,000.00 for full performance of the work listed in the SCOPE OF SERVICES, unless otherwise agreed to between the parties by written agreement.

2. SCOPE OF SERVICES.

- a. CONTRACTOR will perform services specified in Paragraph 29 of this Agreement and the Plans (if applicable) for repairing embankment at the Calexico International Airport which are incorporated herein as if fully set forth.
- b. The work to be performed pursuant to this Contract shall occur for the purpose of performing repair and or replacement work to the structure(s) damaged by the April 4, 2010 earthquake and in accordance with the emergency and/or disaster declarations related thereto.
- c. CONTRACTOR shall at its own cost and expense, in a professional manner, furnish all of the labor, technical, administrative, professional and other personnel, all supplies and materials, equipment, tools, printing, vehicles, transportation, office space and facilities, and all tests, testing and analyses, calculation, and all other means whatsoever, except as herein otherwise expressly specified to be furnished by CITY, necessary or proper to perform and complete the work and provide the services required of CONTRACTOR by this Contract.

3. PROJECT COORDINATION AND SUPERVISION. The Director of Utility Services, currently Luis Estrada, is designated as CITY's PROJECT COORDINATOR and will monitor the progress and execution of this Contract. CONTRACTOR's Project Manager, currently Robert Greene, is designated as CONTRACTOR's PROJECT MANAGER and will provide supervision and have overall responsibility for the progress and execution of this Contract.

4. EFFECT OF ACCEPTANCE. CITY's review or acceptance of, or payment for, work performed by CONTRACTOR under this Contract shall not be construed to

operate as a waiver of any rights CITY may have under this Contract or of any cause of action arising from CONTRACTOR's performance.

5. **CERTIFICATION.** CITY shall provide a final certificate of completion and make final payment to CONTRACTOR upon satisfactory completion of the work described herein and the submittal of all documents as may be required by state or federal laws, regulations and/or policies. Such certificate and payment shall be the only conclusive evidence of contract performance, either in whole or in part, against any CITY claim, and no payment shall be construed to be acceptance of any defective work or improper materials.

CONTRACTOR agrees that its acceptance of the mutually agreed upon final amount due under the contract, and payment for work done pursuant to project alterations, shall release CITY, its agents, employees, or representatives, from any claim or liability for the cost of work performed pursuant to this Contract, including overhead and profit.

6. **TERM.**

- a. Unless otherwise determined by written amendment between the parties, this Contract shall terminate in the following instances:
 - i. Completion of the work specified in Paragraph 29 and the Plans (if applicable) as determined by CITY upon issuance of a final certificate of completion and final payment;
 - ii. December 31, 2010, unless extended under Paragraph 7;
 - iii. Termination as stated in Paragraph 8.
- b. Should CONTRACTOR begin work on any phase in advance of receiving written authorization to proceed, any such services are at CONTRACTOR's own risk.

7. **TIME EXTENSIONS.** Should CONTRACTOR be delayed by causes beyond CONTRACTOR's control, CITY may grant a time extension for the completion of the contracted services. If delay occurs, CONTRACTOR must notify CITY's PROJECT COORDINATOR within forty-eight (48) hours, in writing, of the cause and the extent of the delay and whether such delay interferes with the item's critical path schedule by extending the item beyond the scheduled completion date. The PROJECT COORDINATOR may extend the completion time, when appropriate, for the completion of the contracted services.

8. **TERMINATION.**

- a. CITY may terminate this Contract at any time. Notice will be in writing at least ten (10) days before the effective termination date. If CITY terminates the Contract, it will pay CONTRACTOR for all effort and material expended under the terms of this Contract, up to the date of notice.

- b. Subject to Paragraph 9, below, CONTRACTOR may terminate this Contract at any time with CITY's mutual consent. Notice will be in writing at least fifteen (30) days before the effective termination date.
- c. Subject to Paragraph 9, below, if CONTRACTOR fails to properly perform its obligations in a timely manner due to any cause, or if CONTRACTOR violates any part of this Contract, CITY shall have the right to terminate this Contract for cause. Notice will be in writing at least fifteen (15) days before the effective termination date. Should this occur, all finished or unfinished documents, data, studies, surveys, drawing, maps, reports and other materials prepared by CONTRACTOR shall, at CITY's option, become CITY's property, and CONTRACTOR shall receive just and equitable compensation for any work satisfactorily completed up to the effective date of notice of termination, not to exceed the total costs under Paragraph 1(c).
- d. Should the Contract be terminated pursuant to this Paragraph, CITY may procure on its own terms services similar to those terminated.
- e. By executing this document, CONTRACTOR waives any and all claims for damages that might otherwise arise from CITY's termination under this Paragraph.

9. **NOTICE OF BREACH AND OPPORTUNITY TO CURE.** Neither party shall be deemed to be in breach of this Agreement based on a breach which is capable of being cured until after it has received written notice of the breach from the other party. The party charged with breach shall have ten (10) days from the date of receiving such notice in which to cure the breach or otherwise respond. If the circumstances leading to the charge that the Agreement was breached have not been cured or explained to the satisfaction of the other party within ten (10) days from the date on which the party received notice of breach, the non-breaching party may terminate this Agreement.

10. **CHANGES.** CITY may order changes in the Scope of Services within the general scope of this Contract consisting of additions, deletions, or other revisions. The Contract amount and time shall be adjusted to reflect any such change. All such changes shall be authorized in writing and executed by CONTRACTOR and CITY. The cost or credit to CITY resulting from changes in the services shall be determined in accordance with the procedure described in Paragraph 11, below.

11. **COMPENSATION FOR CHANGES.** CONTRACTOR shall seek compensation for any change made by CITY pursuant to Paragraph 10, in the following manner:

- a. CONTRACTOR shall submit a written claim for compensation in the form of a lump sum proposal (unless otherwise requested) with an itemized breakdown of all increases or decreases in the cost of CONTRACTOR's and all subcontractors' work. Any or all of the following detail may be required by CITY:
 - i. Material quantities and unit costs;
 - ii. Labor costs (identified in terms of manhour by labor skill and labor class);
 - iii. Construction equipment;

- iv. Worker's Compensation and Public Liability Insurance;
 - v. General and field overhead;
 - vi. Profit; and
 - vii. Employment taxes.
- b. The overhead and profit percentages included in the proposal shall not exceed the maximums given in subparagraph (c), and shall be considered to include, without limitation, insurance other than that mentioned in this Paragraph, bond or bonds, use of small tools, incidental job burdens, and general office expense. Percentages for overhead or profit may vary according to the nature, extent, and complexity of the work involved. Not more than three percentages, not to exceed the maximum in subparagraph (c), will be allowed regardless of the number of subcontractors; that is, any markup of subcontractor's work is limited to one overhead percentage and one profit percentage in addition to CONTRACTOR'S percentage. Only the net change will be calculated in proposals covering both increases and decreases in the contract amount. Overhead and profit will be added to the direct cost decrease for proposals that decrease the Contract amount.
 - c. Overhead and profit will each be limited to ten percent (10%) of the total sum of proposed changes for work performed by CONTRACTOR and its subcontractors.
 - d. Any request for a time extension will be included with CONTRACTOR's proposal.
 - e. CITY shall consider CONTRACTOR's proposal in detail, utilizing unit prices where specified or agreed upon for calculating CONTRACTOR's estimates, to determine equitable compensation.
 - f. After receiving CONTRACTOR's detailed proposal, the PROJECT COORDINATOR shall promptly review and take action on it. When the immediate need to proceed with a change, as indicated through written communication by CONTRACTOR to CITY or reasonably apparent to CITY, allows insufficient time to review a proposal, or should the parties fail to reach an agreement regarding a proposal, CITY may direct CONTRACTOR in writing to proceed on the basis of a price determined at the earliest practicable date but not more than the increase or less than the decrease proposed by CONTRACTOR.
 - g. Any claim for compensation due to Differing Site Conditions, as defined by the Green Book, is subject to and shall be in accordance with the requirements and limitations set forth in subparagraphs (a) through (g) of this Paragraph 11. All other claims for compensation submitted by CONTRACTOR under this Contract shall be subject to the requirements and limitations of subparagraphs (a) through (c) of this Paragraph 11.
 - h. Upon written request by the PROJECT COORDINATOR, CONTRACTOR shall submit a proposal, in accordance with the requirements and limitations set out in subparagraphs (a) through (g) of this Paragraph 11, for work involving contemplated changes covered by request, within the time limit indicated in the request or any extension of such time limit that may be subsequently granted. If, within a reasonable time after receiving CONTRACTOR's proposal, the PROJECT COORDINATOR directs

CONTRACTOR to proceed with performing the proposed work, the proposal shall constitute CONTRACTOR's claim for compensation.

- i. With the exception of emergencies which may be approved by the City Manager, CONTRACTOR understands that project changes in excess of \$5,000 must be approved by CITY's City Council. Such approval may occur only during regularly scheduled City Council meetings that occur twice a month.

12. **DELAY DAMAGES.** Should CITY delay CONTRACTOR through the willful or negligent failure to perform duties assigned to it by this Contract or law, CONTRACTOR may be entitled to time extensions, compensation, or both. Should such delay occur CONTRACTOR shall inform CITY, pursuant to the procedure in Paragraph 7, regarding how CITY caused, and why it is responsible for, such delay. CITY will follow the procedure in Paragraph 7 for granting a time extension. Any damages resulting from such delay will be calculated by CITY's PROJECT COORDINATOR by dividing the contract amount by the contract time (including time extensions, if any) and multiplying that sum by fifteen percent (15%). This sum shall be the daily delay damages to which CONTRACTOR may be entitled. Office overhead and profit shall be included in this calculation. No other formula, e.g., the Eichleay or other method, shall be used to calculate daily damages for office overhead, profit, or other purported loss. Under no circumstances will CITY pay CONTRACTOR compensation for any alleged delay that does not extend beyond the contract completion date determined in Paragraph 6(a)(ii).

13. **OWNERSHIP OF DOCUMENTS.** All documents, data, studies, drawings, maps, models, photographs and reports prepared by CONTRACTOR under this Contract shall be considered CITY's property. CONTRACTOR must retain copies of said documents and materials for the time specified in the applicable state and federal regulations applicable to projects that have or will receive funding from state or federal emergency assistance loans and/or grants. At a minimum, the documents and materials must be retained for a period of four years after City makes final payments and all other pending matters are closed, but CONTRACTOR shall deliver all original materials to CITY upon CITY's written notice.

14. **PUBLICATION OF DOCUMENTS.** Except as necessary for performance of service under this Contract, no copies, sketches, or graphs of materials, including graphic art work, prepared pursuant to this Contract shall be released by CONTRACTOR to any other person or agency without CITY's prior written approval. All press releases, including graphic display information to be published in newspapers or magazines, shall be approved and distributed solely by CITY, unless otherwise provided by written Contract between the parties. After project completion, CONTRACTOR may list the project and the general details in its promotional materials.

15. **STANDARD PROVISIONS.** CONTRACTOR will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, or national origin, nor shall CONTRACTOR discriminate against any qualified individual with a disability. CONTRACTOR will take affirmative action to insure that applicants are employed and that employees are treated during employment

without regard to their race, color, religion, sex or national origin and shall make reasonable accommodation to qualified individuals with disabilities. Such action shall include but not be limited to the following: employment, upgrading, demotion, transfer, recruitment, or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. CONTRACTOR agrees to post in conspicuous places available to employees and applicants for employment any notices provided by CITY setting forth the provisions of this non-discrimination clause.

16. PAYROLL RECORDS; CALIFORNIA LABOR CODE.

- a. CONTRACTOR will comply with Cal. Labor Code § 1776, and related provisions, including applicable federal regulations, relating to the maintenance, certification, and inspection of accurate payroll records for all persons CONTRACTOR, or its subcontractors, employs for the work in this Contract.
- b. CONTRACTOR shall strictly adhere to the Labor Code provisions and applicable federal regulations regarding minimum wage, the eight (8) hour day and forty (40) hour week, overtime, weekend and holiday work and the provisions of Labor Code §1777.5 relating to apprentices. CONTRACTOR is required to secure the payment of employee compensation in accordance with Labor Code § 3700.
- c. CONTRACTOR shall forfeit to CITY the penalties prescribed in Labor Code §§1776, 1777.7, 1813, and related sections, for any violations.

17. COMPLIANCE WITH FEDERAL LAWS AND REGULATIONS. The CITY and the CONTRACTOR agree to comply with, the following laws and regulations where applicable: Executive Order 11246 of September 24, 1965, entitled "Equal Employment Opportunity," as amended by Executive Order 11375 of October 13, 1967, and as supplemented in Department of Labor regulations (41 CFR chapter 60); the Copeland "Anti-Kickback" Act (18 U.S.C. 874) as supplemented in Department of Labor regulations (29 CFR Part 3); the Davis-Bacon Act (40 U.S.C. 276a to 276a-7) as supplemented by Department of Labor regulations (29 CFR Part 5); Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-330) as supplemented by Department of Labor regulations (29 CFR Part 5); all applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 1857(h)), section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR part 15); and all mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94-163, 89 Stat. 871).

18. FEDERAL GRANTOR AGENCY REQUIREMENTS AND REGULATIONS. If the CITY is granted funds from any Federal grantor agency related to this Contract, the CITY will provide CONTRACTOR with the awarding agency's requirements and regulations pertaining to reporting, pertaining to patent rights with respect to any discovery or invention which arises or is developed in the course of or under this Contract, and pertaining to copyrights and rights in data.

19. **SOLICITATION.** CONTRACTOR maintains and warrants that it has not employed nor retained any company or person, other than CONTRACTOR's bonafide employee, to solicit or secure this Contract. Further, CONTRACTOR warrants that it has not paid nor has it agreed to pay any company or person, other than CONTRACTOR's bonafide employee, any fee, commission, percentage, brokerage fee, gift, or other consideration contingent upon or resulting from the award or making of this Contract. Should CONTRACTOR breach or violate this warranty, CITY may rescind this Contract without liability.

20. **HOLD HARMLESS.**

- a. CONTRACTOR shall release, defend (with counsel satisfactory to CITY), indemnify and hold CITY harmless from and against any and all liability, costs, and expense for loss of or damage to property and for injuries to or death of any person arising from, relating to, or resulting from:
 - i. Any work performed by CONTRACTOR pursuant to this Contract;
 - ii. Any materials furnished at the instance or request of CONTRACTOR or any agent or employee of CONTRACTOR;
 - iii. Default under this Contract by CONTRACTOR, or by any agent or employee of CONTRACTOR, or failure by CONTRACTOR or any agent or employee of CONTRACTOR to comply with any requirement of Law.
- b. Upon written notice from CITY, CONTRACTOR agrees to assume the defense of any lawsuit, administrative action, or other proceeding brought against CITY by any public body, individual, partnership, corporation, or other legal entity relating to any matter covered by this Contract for which CONTRACTOR has an obligation to assume liability for and/or to indemnify and hold harmless CITY. CONTRACTOR shall pay all the costs incident to such defense, including, but not limited to, attorneys' fees, investigators' fees, litigation expenses, settlement payments, and amounts paid in satisfaction of judgments
- c. It is expressly understood and agreed that the foregoing provisions shall survive the termination of this Contract.
- d. The requirements as to the types and limits of insurance coverage to be maintained by CONTRACTOR as required by Paragraph 24 below, and any approval of said insurance by CITY, are not intended to and shall not in any manner limit or qualify the liabilities and obligations otherwise assumed by CONTRACTOR pursuant to this Contract, including but not limited to the provisions concerning indemnification.

21. **ASSIGNABILITY.** This Contract shall not be assigned by either party without the prior written approval of the other.

22. **INDEPENDENT CONTRACTOR.** CONTRACTOR, its employees and agents, shall be independent contractors and shall not be considered the CITY's agents.

23. **AUDIT OF RECORDS.** At any time during normal business hours and as often as may be deemed necessary CONTRACTOR shall make available to a any duly authorized representative of the CITY, any Federal grantor agency providing grant funds for the services provider under this Contract, or the Comptroller General of the United States for examination all of any of its books, documents, papers, and records with respect to all matters directly pertinent to this Contract for the purpose of making audit, examination, excerpts, and transcripts. CONTRACTOR will retain such records for at least four (4) years after final payment under this Contract and all other pending matters are closed.

24. **INSURANCE/WORKER'S COMPENSATION.** CONTRACTOR shall provide proof of liability coverage which meets CITY's insurance requirements as set forth in the Contract Documents, and designates CITY as additional insured. Such policy shall insure against all liability of CONTRACTOR and its authorized representatives arising out of and in connection with CONTRACTOR's work under this Contract.

25. **MEDIATION.** The parties mutually agree that any dispute arising out of or relating to this Contract, or its breach, that cannot be settled by negotiation shall be first submitted to mediation under the Commercial Mediation Rules of the American Arbitration Association before resorting to arbitration, litigation, or other action.

26. **RESERVED.**

27. **NOTICES.** All communications to either party by the other party shall be deemed made when received by such party at its respective name and address, as follows:

CITY

City of Calexico
608 Heber Avenue
Calexico, CA 92231

CONTRACTOR

Mingus Construction, Inc.
P.O. Box 845
Clarkdale, AZ 86324

Any such written communications by mail shall be conclusively deemed to have been received by the addressee five days after the deposit thereof in the United States Mail, postage prepaid and properly addressed as noted above.

28. **INTERPRETATION.** This Contract and its performance shall be governed, interpreted, construed and regulated by the laws of the State of California.

29. **ENTIRE CONTRACT.**

- a. This Contract, its Attachments, and the Documents set forth in subparagraph (b) sets forth the entire understanding of the parties. There are no other understandings, terms or other contracts expressed or implied, oral or written.
- b. These Documents are incorporated within this Contract as if fully set forth and to the extent applicable to the emergency repair project being undertaken:
 - i. Performance Bond;
 - ii. Labor and Material Bond;

- iii. Policy of Insurance;
- iv. Special Provisions;
- v. Special Requirements;
- vi. The edition of the Standard Specifications for Public Works Construction (the "Green Book") as set forth in the Special Provisions;
- vii. The Standard Special Provisions for use in connection with the Standard Specifications;
- viii. The General Prevailing Wage Rate of per diem wages as determined by the Director of Industrial Relations;
- ix. The Non-Collusion Affidavits;
- x. California Public Contract Code § 20104.50;
- xi. All addenda setting forth any modifications or interpretations of these documents;
- xii. 19 C.C.R. § 2915;
- xiii. 44 C.F.R. § 13.36(i).

30. **SEVERABILITY.** If any portion of this Contract is declared by a court of competent jurisdiction to be invalid or unenforceable, then such portion shall be deemed modified to the extent necessary in the opinion of the court to render such portion enforceable and, as so modified, such portion and the balance of this Contract shall continue in full force and effect.

31. **TIME IS OF ESSENCE.** Time is of the essence for each and every provision of this Contract.

32. **STATEMENT OF EXPERIENCE.** By executing this Contract, CONTRACTOR represents that it has demonstrated trustworthiness and possesses the quality, fitness, and capacity to perform the Contract in a manner satisfactory to CITY. CONTRACTOR represents that its financial resources, surety and insurance experience, service experience, completion ability, personnel, current workload, experience in dealing with private owners, and experience in dealing with public agencies all suggest that CONTRACTOR is capable of performing the proposed contract and has a demonstrated capacity to deal fairly and effectively with and to satisfy a public agency.

33. **RISK.** By executing this Contract, CONTRACTOR acknowledges and understands that all work performed pursuant to this Contract involves inherent business risks. Such risks may occur before acceptance or during the progress of work performed for this Contract and may involve damage or losses resulting from, without limitation:

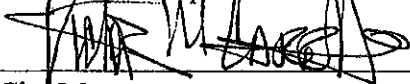
- a. Inclement weather;
- b. Unforeseen conditions arising during work performance;
- c. Suspension or discontinuance of work due to labor disputes, or other reasons;
- d. Earthquakes and/or floods;
- e. Changes in law;
- f. Actions by third-parties, including Utility Companies; and
- g. Other Federal, State, or Local Government actions.

- e. Changes in law;
- f. Actions by third-parties, including Utility Companies; and
- g. Other Federal, State, or Local Government actions.

CONTRACTOR is solely responsible for such risk and loss except where this Contract or State law specifies that CITY bears such responsibility.


IN WITNESS WHEREOF the parties hereto have executed this contract the day and year first hereinabove written.

CITY OF CALEXICO,
a municipal corporation.



City Manager

CONTRACTOR




Mingus Constructors, Inc.

City of Calexico
Business License No.

MIN 0012

ATTEST:



City Clerk

APPROVED AS TO CONTENT:



Director of Utility Services

APPROVED AS TO FORM:

City Attorney

MINGUS CONSTRUCTORS, INC.

P.O. BOX 845
CLARKDALE, ARIZONA 86324

928 - 634 - 9556
FAX 928 - 634 - 0206

City of Calexico
608 Heber Avenue
Calexico, CA. 92231

7-14-10

Attention: Mr. Luis Estrada

Ref.: Airport Lateral and Embankment Correction.

Mr. Estrada,

This letter is being written in reference to the Airport Lateral and Embankment Correction. MCI has reviewed the needed work and propose Lump sum Amount for this work is \$28,000.00. (Twenty Eight Thousand Dollars.) This work to include the below scope:

- MCI will Demo, Remove and Reinstall new post with existing fence. Approximately 600 lf. Of chain link fence.
- MCI will Remove and Reinstall 400' of power Poles being used as Retainer wall.
- MCI will remove, rework and re-compact existing Slope Embankment and Road Shoulder.
- MCI will fine grade to original grade.

Thank you in advance for the opportunity of working with you. If this price is acceptable please provide MCI with notice to proceed and this work can began immediately.

Thank you,



Lamar Parker
Mingus Constructors, Inc.



**PYRAMID
CONSTRUCTION
AND AGGREGATES, INC.**

General Engineering Contractor
State Contractor Lic. No. 866533

July 28, 2010

City of Calexico
608 Heber Ave
Calexico, CA 92231

Airport Bank Rehabilitation

Pyramid Construction and Aggregates, Inc. proposes the following for the above referenced project.

Rehab Bank

Close road to all traffic
Remove apporx 20,000 Yrds of Dirt
During the removal process, the depth of the crack will determine the depth of cut.
Cut will be stepped.
Stockpile material at designated site
Add moisture and mix material.
Remove Fence
Remove Telephone Poles in front of bank
Put dirt back at 95% compaction
Reinstall Telephone Poles, redrilling post
Reinstall fence as is without barbwire
Open up road
Work should take about one week.

\$59,000.00

Excludes: quality control, staking, prevailing wages, permits
or certified payroll.
Quote also excludes any insurances not already part of Pyramid's umbrella.

If you have any questions, please give me a call.
Archie Abeya



Phone (858) 587-3600
Fax (858) 453-6034
6465 Marindustry Place
San Diego, CA 92121
hazardconstruction.com
License No. 750542A/B

PROPOSAL AND CONTRACT

To: City of Calexico
608 Heber Ave.
Calexico, CA 92231

Date: August 17, 2010

Attn: Jerry

Project: Calexico International Airport – Slope Repair
Calexico, CA

Upon Execution and return of this Contract within ten days from the date below, Hazard Construction Company ("Hazard") will perform the following work at the above location pursuant to the terms and conditions contained herein.

This quotation is good for all work performed prior to 12/31/2010 and includes One mobilization as noted below. This quote is based on a Site Visit and the attached cross section.

Terms: 90% progress payments with 10% retention to be paid to us within thirty-five calendar days after completion of each phase subject to credit approval and construction lender's guarantee of payment. A monthly service charge of 0.75% (percent) will be applied to unpaid balance.

Prior to commencement of construction operations, a mutually agreeable contract shall be negotiated and executed by both parties.

We agree to furnish necessary labor, equipment and material to complete the following improvements at the above referenced project.

A. Scope of Work	Approx. Qty.	Unit Price	Total
1 . MOBILIZATION / DEMOBILIZATION	1 LS @	\$5,000.00 / LS =	\$5,000.00
2 . REMOVE & RESTORE SLOPE	3,500 CY @	\$10.00 / CY =	\$35,000.00
		Total =	\$40,000.00
B. Alternates	Approx. Qty.	Unit Price	Total
1 . REMOVE & REPLACE TELEPHONE POLE FENCE	1 LS @	\$10,000.00 / LS =	\$10,000.00
2 . REMOVE & REPLACE CHAIN LINK FENCE	160 LF @	\$17.00 / LF =	\$2,720.00
3 . TEMP FENCE TO PROTECT AIRPORT	250 LF @	\$4.00 / LF =	\$1,000.00
		Total =	\$13,720.00

Source Documents:

- Cross Section Exhibit 1 detailing how we came to the quantity needed for removal and replacement.

Inclusions:

- One (1) mobilization for grading. Additional grading mobilizations at \$4,500.00/ea.
- Final payment to be based on field measured quantities at the above listed unit prices.
- Prevailing Wage Rates.
- Construction Water for our use
- Utilization of existing slope material for slope reconstruction

Exclusions:

- Any items of work not specifically listed in Bid Schedule of Values
- Permits/Fees/Testing
- Payment and Performance Bonds
- Construction Surveying



Fax (858) 453-6034
Phone (858) 587-3600
San Diego, CA 92121
hazardconstruction.com
License No. 750542 A/B

- Soils Engineering and Testing
- Handpicking/Removal of oversized material
- Adjust / Patch Manhole Covers and Valve Cans to Finish Grade
- Import / Export of Soils
- Clearing and Grubbing
- SWPPP Plan Preparation/Erosion Control Implementation
- Fence Removal & Replacement – See Alternate
- Temp Fence to Protect Airport – See Alternate
- Removal & Replacement of Telephone Pole Fencing – See Alternate

Thank you for the opportunity to quote on this project. If you have any questions regarding this proposal or require additional information please call Jason Mordhorst of our office.



Phone (858) 587-3600
Fax (858) 453-6034
6465 Marindustry Place
San Diego, CA 92121
hazardconstruction.com
License No. 750542A/B

1. This Contract is subject to Hazard's approval of Buyer's credit ability after return of the executed Contract to Hazard.
2. On the twenty-fifth day of each month, Hazard shall bill for all work then performed and said billing shall be due and payable in full on the tenth day of the following month, unless otherwise provided herein.
3. Any amount not paid when due shall bear interest at the maximum rate allowed by law.
4. This Contract may not be assigned or otherwise transferred by Buyer without Hazard's prior, written consent.
5. Should Buyer fail to make any payment to Hazard when due, this Contract shall be deemed breached and Hazard's further performance hereunder shall be executed.
6. Hazard shall not be liable for any damage resulting from delays caused by acts of God, weather, strikes, lockouts, unavailability of labor, equipment or materials, act of others or any other cause beyond Hazard's control.
7. Buyer agrees to pay upon demand therefore, all attorney's fees incurred by Hazard in enforcing its rights hereunder.
8. For one year after completion of this Contract Hazard agrees to correct any defective work performed by it. If Hazard fails to repair such defective work within a reasonable time after receipt of written notice from Buyer describing the defective work, Hazard's liability to Buyer shall be limited to the reasonable cost of repairing the defective work. Defective work will be considered to be work which fails due to faulty materials or workmanship.
9. Should Hazard encounter unusual subsurface conditions which are not reasonably discernable from a visual inspection of the job site as of the date of this Contract, Hazard shall be entitled to extra compensation for the cost of all additional work required as the result of said conditions plus fifteen percent of said cost for overhead and profit.
10. This Contract supersedes all prior bids, negotiations and agreements between Hazard and Buyer and contains the entire agreement between parties.
11. This proposal excludes the handling, processing or disposal of all materials which may be categorized as "Hazardous".
12. Unless otherwise specifically included in this proposal, preparation and compaction of subgrade is limited to the top 6" of material directly below the lowest lift of base or paving.
13. Hazard Construction Company is an Equal Opportunity Employer.
14. This proposal excludes N.P.D.E.S. storm water permit and regulations compliance costs.

HAZARD CONSTRUCTION COMPANY


Jason A. Mordhorst, Vice President

**ACCEPTED BY:
HENSEL PHELPS CONSTRUCTION CO.**

(Signature/Title)

DATE: August 17, 2010

Date: _____

JAM:sk Calxico Airport Slope Repair

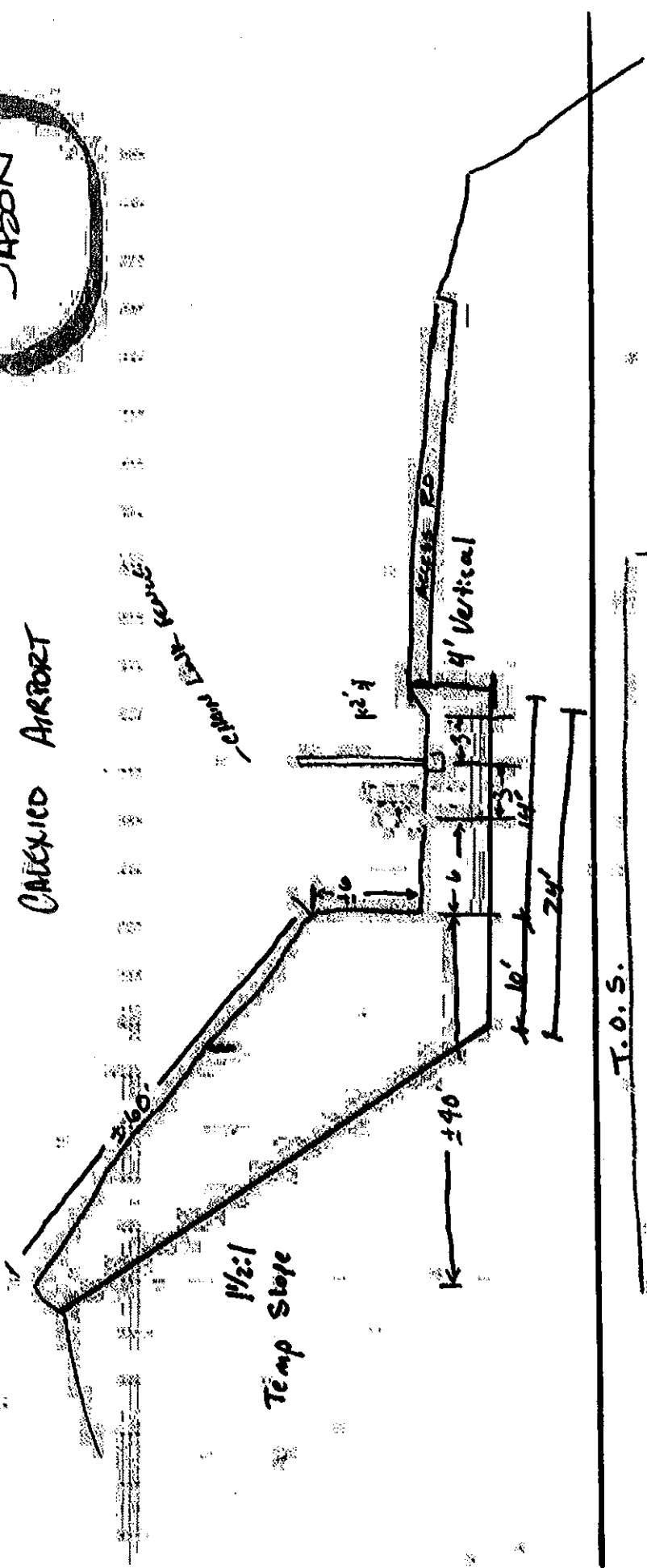
NOTICE

Contractors are required by law to be licensed and regulated by the Contractor's State License Board. Any questions concerning a contractor may be referred to the Registrar, Contractor's State License Board, 9835 Goethe Road, Sacramento, California. Mail Address P.O. Box 26000, Sacramento, California 95826

JASON

CHICKED AIRPORT

CHICKED AIRPORT



T.O.S.

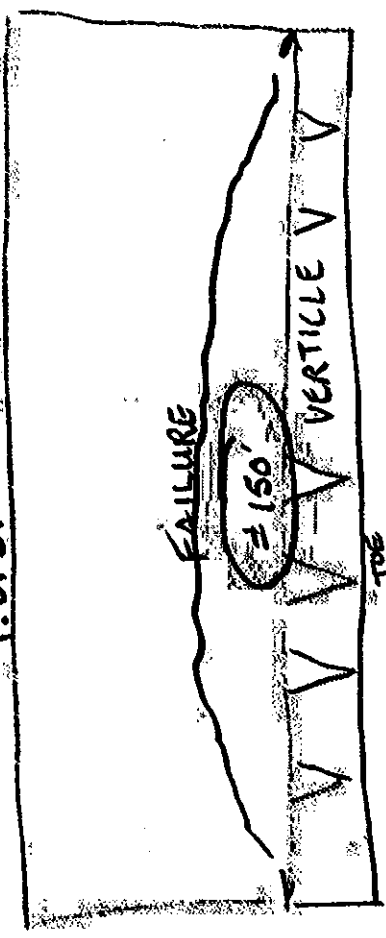


Exhibit 1

HAZARD CONSTRUCTION COMPANY
6465 MARINDUSTRY DRIVE
P.O. BOX 229000
SAN DIEGO, CA 92192-9000
(619) 567-3600 FAX (619) 453-8034
LIC. 750642A

From: Kimchi.Hoang@faa.gov [mailto:Kimchi.Hoang@faa.gov]
Sent: Tuesday, July 27, 2010 2:04 PM
To: airport@calexico.ca.gov
Subject: Re: FW: Earthquake Repairs Change Order

Jerry,

You can do either case. If you can't negotiate with the lowest contractor for the price that you think is reasonable, then you can go out and get 3 more quotes as long as the estimate is less than 100K.

Kimchi Hoang, Program Manager
FAA - Los Angeles Airports District Office 15000 Aviation Boulevard Lawndale, CA 90261
Phone: 310-725-3617; Fax: 310-725-6849
email: kimchi.hoang@faa.gov

From: Airport [mailto:airport@calexico.ca.gov]
Sent: Monday, July 26, 2010 1:47 PM
To: 'Kimchi.Hoang@faa.gov'
Cc: 'lestrada@calexico.ca.gov'; 'peter.bonello@airportengineering.com'
Subject: Earthquake Repairs Change Order

Kimchi:

As per our conversation this morning I need for you to clarify something.
Can we use a separate contractor to compact the embankment based on lowest bid or do we have to use the contractor that bid the lowest on the Runway and Access Road?
Please confirm,
Thank you,

Jerry Arguelles
City of Calexico, Calexico Int'l Airport Utility Services Coordinator
(760) 768-2175 Work
(760) 357-0739 Fax
airport@calexico.ca.gov

Information from ESET NOD32 Antivirus, version of virus signature database 5409 (20100830)

The message was checked by ESET NOD32 Antivirus.

<http://www.eset.com>

Information from ESET NOD32 Antivirus, version of virus signature database 5413 (20100831)

The message was checked by ESET NOD32 Antivirus.

<http://www.eset.com>

Information from ESET NOD32 Antivirus, version of virus signature database 5416 (20100901)